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IN THE UNITED STATES DISTRICT COURT  
 FOR THE NORTHERN DISTRICT OF CALIFORNIA  
 SAN FRANCISCO AND OAKLAND DIVISION

THOMAS FERNANDEZ, LORA SMITH, and  
 TOSHA THOMAS, individually and on behalf  
 of a class of all other persons similarly situated,

Plaintiffs,

vs.

K-M INDUSTRIES HOLDING CO., INC.;  
 K-M INDUSTRIES HOLDING CO., INC.  
 ESOP PLAN COMMITTEE; WILLIAM E.  
 AND DESIREE B. MOORE REVOCABLE  
 TRUST; TRUSTEES OF THE WILLIAM E.  
 AND DESIREE B. MOORE REVOCABLE  
 TRUST; CIG ESOP PLAN COMMITTEE;  
 NORTH STAR TRUST COMPANY;  
 DESIREE B. MOORE REVOCABLE TRUST;  
 WILLIAM E. MOORE MARITAL TRUST;  
 WILLIAM E. MOORE GENERATION-  
 SKIPPING TRUST; and DESIREE MOORE,  
 BOTH IN HER INDIVIDUAL CAPACITY  
 AND AS TRUSTEE OF THE WILLIAM E.  
 AND DESIREE B. MOORE REVOCABLE  
 TRUST'S SUCCESSOR TRUSTS NAMED  
 ABOVE,

Defendants.

Case No. C-06-07339 CW

**ORDER GRANTING PLAINTIFFS'  
 MOTION FOR FINAL APPROVAL OF  
 PARTIAL CLASS ACTION  
 SETTLEMENT**

1 This matter comes before the Court on the Class Plaintiffs' Motion for Final Approval of  
2 Partial Class Action Settlement to grant final approval of the Amended & Restated Stipulation  
3 and Agreement of Settlement ("Settlement" or "Settlement Agreement") between Class Plaintiffs,  
4 on behalf of themselves and the Class, and Defendants K-M Industries Holding Co., Inc., K-M  
5 Industries Holding Co., Inc. ESOP Plan Committee, CIG ESOP Plan Committee ("K-M  
6 Defendants"), William E. and Desiree B. Moore Revocable Trust, Trustees of the William E. and  
7 Desiree B. Moore Revocable Trust, Desiree B. Moore Revocable Trust, William E. Moore  
8 Marital Trust, William E. Moore Generation-Skipping Trust, and Desiree B. Moore ("Moore  
9 Trust Defendants") (the KMH Defendants and Moore Trust Defendants are collectively referred  
10 to as the "Settling Defendants"). The proposed settlement in this case was preliminarily approved  
11 by this Court on January 23, 2009 ("Preliminary Approval Order") [Docket No. 271]. Pursuant to  
12 the Court's Preliminary Approval Order and the Notice provided to the Class, the Court  
13 conducted a fairness hearing under Fed. R. Civ. P. 23(e) on May 7, 2009. The Court has  
14 reviewed the materials submitted by the parties, and has heard arguments presented at such  
15 hearing. For the reasons cited on the record as well as those stated hereafter, the Court finds and  
16 orders as follows:

17 1. The Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §  
18 1331 and 29 U.S.C. § 1132(f).

19 2. The notice given to the Class fully and accurately informed Class Members of all  
20 material elements of the proposed settlement, constituted the best notice practicable under the  
21 circumstances, constituted valid, due and sufficient notice to all Class Members, and complied  
22 fully with Rule 23 of the Federal Rules of Civil Procedure and the United States Constitution.

23 3. The Settlement Agreement is fair, reasonable and adequate in all respects to the  
24 Class Members pursuant to Rule 23 of the Federal Rules of Civil Procedure. The Court finds that  
25 the uncertainty and delay of further litigation strongly support the reasonableness and adequacy of  
26 the \$40 million settlement.

27 4. No class member has objected to any aspect of the proposed settlement. The  
28 reaction of the Class to the proposed settlement strongly supports the conclusion that the

1 proposed settlement is fair, reasonable, and adequate. Accordingly, the Court finds that the  
 2 settlement is, in all respects, fair, reasonable and adequate, and hereby grants final approval of the  
 3 settlement.

4 5. The Court hereby dismisses with prejudice and equitably bars all claims arising  
 5 out of or relating to the facts, transactions or allegations of this Action, including but not limited  
 6 to claims for equitable contribution and/or indemnity, that are or could be asserted, now or in the  
 7 future, against any Settling Defendants by any other person or entity purporting to sue on behalf  
 8 of or asserting the interests of plan participants and beneficiaries, the Plan, or any plan fiduciary,  
 9 including but not limited to North Star Trust Company ("North Star") and its successors and  
 10 assigns. However, this Bar Order does not dismiss or bar claims for alleged contractual  
 11 indemnity and payment of defense costs by North Star.

12 6. North Star is entitled to a judgment reduction of \$40 million in the event of any  
 13 finding of liability against it.

14 7. The Court finds and determines that the Settling Defendants' notice of Settlement  
 15 to State Attorneys General and United States Attorneys General, pursuant to 28 U.S.C. section  
 16 1715(b), was timely, adequate, and compliant with the statutory requirements of the Class Action  
 17 Fairness Act.

18 8. The Court reserves exclusive and continuing jurisdiction over the class action, the  
 19 Named Plaintiffs, the Class, and the Defendants for the purposes of supervising the  
 20 implementation, enforcement, construction, and interpretation of the Settlement Agreement, the  
 21 Preliminary Approval Order, the distribution of Settlement Payments, the Final Judgment, and  
 22 this Order.

23 **IT IS SO ORDERED.**

24  
 25 5/8/09

26 Dated: \_\_\_\_\_



27 \_\_\_\_\_  
 28 The Honorable Claudia Wilken  
 United States District Judge